



County of Los Angeles CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

June 18, 2014

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

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Fifth District

SACRAMENTO UPDATE

Executive Summary

This memorandum contains reports on the following:

- **Pursuit of County Position to Oppose AB 1522 (Gonzalez).** This measure would require all employers, including public agencies, to provide paid sick days to employees who work 30 or more days in a calendar year. Therefore, unless otherwise directed by the Board, consistent with approved policy to oppose legislation that mandates or authorizes compensation or benefit changes without approval of the Board of Supervisors, **the Sacramento advocates will oppose AB 1522.**
- **Status of County-Sponsored Legislation**
 - **County-sponsored SB 498 (Lara)** - related to including conversion technologies in the definition of biomass conversion, passed the Assembly Natural Resources Committee on June 16, 2014.
 - **County-sponsored SB 955 (Mitchell)** - related to authorization for wiretaps in human trafficking cases, passed the Assembly Public Safety Committee on June 17, 2014.

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- **Status of County-Advocacy Legislation**

- **County-opposed AB 1175 (Bocanegra)** - related to agricultural inspectors, passed the Senate Agriculture Committee on June 17, 2014.
- **County-supported SB 939 (Block)** - related to the consolidation of multiple cases of human trafficking, pimping and/or pandering in one jurisdiction, passed the Assembly Public Safety Committee on June 17, 2014.
- **County-supported SB 1014 (Jackson)** - related to the collection and disposal of home-generated pharmaceutical waste, passed the Assembly Environmental Safety and Toxic Materials Committee on June 17, 2014.

- **Status of Legislation of County Interest**

- **SB 1262 (Correa)** - related to the licensing of marijuana dispensing facilities, cultivation sites, and processing facilities, passed the Assembly Business, Professions and Consumer Protection Committee on June 17, 2014.

Pursuit of County Position on Legislation

AB 1522 (Gonzalez), which as amended on June 15, 2014, would require employers, beginning July 1, 2015, to provide paid sick days to employees who work 30 or more days in a calendar year.

Current law authorizes, but does not require, employers to provide their employees with paid sick leave. AB 1522 would mandate all employers, including public agencies, to provide paid sick days to employees who work 30 or more days in a calendar year. Specifically, this bill would, among other provisions, provide that:

- on or after July 1, 2015, an employee who works for 30 or more days in a calendar year is entitled to paid sick days;
- paid sick days accrue at a rate of no less than one hour for every 30 hours worked, and may be carried over to the following year (employers may limit their use to 24 hours or three days in each calendar year);
- employees covered by a valid collective bargaining agreement that expressly provides for paid sick days or a similar policy are exempt from these provisions;

- a public authority must comply with these requirements for in-home supportive services workers, except that these requirements may be satisfied by entering into a collective bargaining agreement that provides an incremental hourly wage adjustment in an amount sufficient to satisfy the bill's requirements;
- an employer must provide, upon oral or written request of an employee, paid sick days for the following purposes: diagnosis, care or treatment of an existing health condition of, or preventive care for, an employee or the employee's family member; or for an employee who is a victim of domestic violence, sexual assault, or stalking as specified;
- employers must retain employee records related to used and accrued paid sick days for at least five years; and
- an employer must establish a rebuttable presumption of unlawful retaliation if an employer denies an employee the right to use sick days or takes other specified adverse action within 90 days of specified protected activities by the employee.

The Chief Executive Office (CEO) Benefits and Compensation Section reports that this bill would impact thousands of County employees, including: 1) those who do not currently receive sick leave benefits; 2) newly hired or newly promoted employees who become eligible for the County's MegaFlex program, which has alternative leave benefits; and 3) additional represented employees who do not receive sick leave benefits. CEO Benefits and Compensation estimates that in order to provide these employees with sick benefits as defined by AB 1522, the County would incur notable annual salary costs.

In addition, the California State Association of Counties and a coalition of local agency organizations have noted that the bill is narrowly written in terms of what collective bargaining agreements must include, and as a result, most employees covered by collective bargaining agreements could still be affected. If the County's collectively bargained employees are covered by the provisions of this legislation, the County's costs would increase by the millions of dollars annually. These costs would not include funding that would be needed to significantly restructure the County's benefits system and policies. Finally, CEO Benefits and Compensation notes that AB 1522 would diminish the County's ability to locally determine the most appropriate benefits for its large and varied employee population. County Counsel concurs with CEO Benefits and Compensation's concerns.

This office recommends an oppose position on AB 1522. Therefore, unless otherwise directed by the Board, consistent with approved policy to oppose legislation that mandates or authorizes compensation or benefit changes without approval of the Board of Supervisors, **the Sacramento advocates will oppose AB 1522.**

AB 1522 is similar to **County-opposed AB 400 (Ma)** of 2012, which would have required employers, including cities, counties, and special districts to provide one hour of paid sick leave for every 30 hours worked. AB 400 failed to pass out of committee.

AB 1522 is opposed by over 80 business and public agency organizations, including: the California State Association of Counties; League of California Cities; Rural County Representatives of California; Urban Counties Caucus; California Association of Joint Powers Authorities; California Special Districts Association; and Association of California Healthcare Districts. It is co-sponsored by the California Labor Federation, AFL-CIO and California State Council of the Service Employees International Union, and supported by over 20 employee and community associations, including: the California Professional Firefighters; Consumer Attorneys of California; United Domestic Workers of America, AFSCME, Local 3930; and Western Center on Law and Poverty.

AB 1522 is scheduled to be heard in the Senate Judiciary Committee on June 24, 2014.

Status of County-Sponsored Legislation

SB 498 (Lara), which as amended on January 27, 2014, would include conversion technologies in the definition of "biomass conversion" and define "biomass conversion" to mean the production of heat, fuels, or electricity by the controlled combustion of, or the use of other noncombustion thermal conversion technologies on specified materials, when separated from other solid waste, passed the Assembly Natural Resources Committee by a vote of 8 to 0 on June 16, 2014. This measure now proceeds to the Assembly Environmental Safety and Toxic Materials Committee.

SB 955 (Mitchell), which as introduced on February 6, 2014, would add human trafficking to the list of offenses for which interception of electronic communications (wiretaps) may be ordered, passed the Assembly Public Safety Committee by a vote of 7 to 0 on June 17, 2014. This measure now proceeds to the Assembly Appropriations Committee.

Status of County-Advocacy Legislation

County-opposed AB 1175 (Bocanegra), which as amended on March 13, 2014, would prohibit the California Secretary of Food and Agriculture from entering into a

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cooperative agreement with Los Angeles County for agricultural inspector services unless a currently unspecified percent of the agricultural inspector associates not afforded protections as permanent employees employed under these cooperative agreements are afforded protections as permanent County employees, passed the Senate Agriculture Committee by a vote of 4 to 0 on June 17, 2014. This measure now proceeds to the Senate Appropriations Committee.

County-supported SB 939 (Block), which as amended on May 21, 2014, would include human trafficking, pimping, and pandering to the specified offenses to which certain jurisdictional requirements apply allowing for the consolidation of multiple charges of these crimes from multiple jurisdictions into a single trial if all district attorneys in counties with jurisdiction agree to the venue, passed the Assembly Public Safety Committee by a vote of 7 to 0 on June 17, 2014. This measure now proceeds to the Assembly Floor.

County-supported SB 1014 (Jackson), which as amended on June 10, 2014, would authorize the establishment of a voluntary program to collect and dispose of home-generated pharmaceutical waste based on regulations jointly developed and adopted by the Department of Resources Recycling and Recovery and the California State Board of Pharmacy, passed the Assembly Environmental Safety and Toxic Materials Committee by a vote of 6 to 1 on June 17, 2014. This measure now proceeds to the Assembly Business, Professions and Consumer Protection Committee.

Status of Legislation of County Interest

SB 1262 (Correa), which as amended on June 15, 2014, would require the California Department of Consumer Affairs to license marijuana dispensing facilities, cultivation sites, and processing facilities, passed the Assembly Business, Professions and Consumer Protection Committee by a vote of 10 to 2 on June 17, 2014. This measure now proceeds to the Assembly Public Safety Committee.

We will continue to keep you advised.

WTF:RA
MR:KA:IGEA:ma

c: All Department Heads
Legislative Strategist